(c) the achievements made so far in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) The total investment made in power sector during the 9th Plan in the State of Assam is given as under:

(i)	Assam State Electricity Board	:	Rs. 458.93 crore
(ii)	NEEPCO	:	Rs. 357.24 crore
	Total	:	**Rs. 816.17 crore**

(b) The investment target recommended by Planning Commission Working Group for the power sector in the State of Assam during the 10th Plan period is given as under:

(i)	Assam State Electricity Board	:	Rs. 859.07 Crore
(ii)	NEEPCO	:	Rs. 119.16 Crore
	Total	:	**Rs. 978.25 Crore**

(c) Financial achievement made upto 30.9.2002 in the 10th Plan:

(i)	Assam State Electricity Board	:	Rs. 19.82 Crore
(ii)	NEEPCO	:	Rs. 9.40 Crore
	Total	:	**Rs. 29.22 Crore**

Parekh Committee on APD and Reform Programme

1613. SHRI A. VIJAYA RAGHAVAN: Will the Minister of POWER be pleased to state:

(a) whether Parekh Committee set up during March, 2002 regarding Accelerated Power Development and Reforms Programme has suggested some broad principles for financial restructuring of State Electricity Boards;

(b) if so, the details of suggestion on Power Sector Reform Fund;

(c) whether there is any suggestion to introduce additional surcharge on consumers;

(d) if so, the details thereof;

(e) whether above suggestions were under the consideration of competent authority;

(f) whether these suggestions were discussed with State Electricity Boards; and

(g) if so, the details thereof including response of the State, Category-wise?

THE MINISTER OF STATE INTHE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) Details of the proposed Power Sector Reform Fund are given in the enclosed Statement (*See* below).

(c) No, Sir.

(d) The surcharge referred to in the proposed Power Sector Reform Fund relates to a portion of the surplus from future operations as revenues and therefore, it is not suggested as an additional levy on consumers.

(e) Yes, Sir. The report of the Committee is under consideration by the Government.

(f) and (g) Copies of the Report of the Expert Committee on State-specific Reforms set up under the Chairmanship of Shri Deepak Parekh was circulated on 3.10.2002 to all Energy/Power Secretaries of the State Government/Chief Executive Officers of the State Electricity Boards/Utilities. To operationalise the recommendations of the Committee, it was decided to get an understanding of strategy and action plan of financial turnaround of the States and utilities. As the ground realities varies from place to place, the strategic plans made by the State Governments/State Utilities are to take into account the existing situation and possible scenario of the various steps initiated both at the State Government and the State Utility level. Therefore, a Workshop of Energy/Finance Secretaries and CEOs of Utilities of States was organized on 26.10.2002 to get an understanding of the strategy and action plan of turnaround of the States and the Utilities. However, information made available during the Workshop was incomplete. Therefore, the States have been requested to furnish further information on the turnaround plan.

Statement

Details of the Power Sector Reform Fund

As a part of measures to reform the power sector, the Committee recommended that State Government should consolidate the past liabilities and finance them through agreements for write-downs and future sector surpluses. However, going by the track record of State Governments, a mere statement of intent is unlikely to carry any weight from the other stakeholders, specifically existing creditors and prospective lenders. In order to enhance the credibility and mitigate the risk of policy reversals it is necessary to ring-fence both the liabilities and the inflows earmarked for the sector restructuring. In order to do this, the State Government should establish a Power Sector Reform Fund (PSRF). All existing liabilities of the sector should be transferred to the PSRF. The responsibility for servicing these liabilities, however, remains with the State Government and as noted later, these can be re-financed on better terms with Central Government support. Concomitantly, existing receivables (the privatized utility can be contracted to recover them the on an incentive-sharing basis), privatisation proceeds, and grants from the Government of India and other donor agencies should be transferred to the PSRF to defray these liabilities. In addition, it would receive a portion of the surplus from future operations as revenues, say, in the form of a PSRF surcharge, The PSRF would be drawn upon in a pre-specified order of priority to meet the State Government's obligations in discharging its liabilities.

Meeting of the Officials of the Ministry of Power

1614. SHRI SURESH KALMADI: Will the Minister of POWER be pleased to state:

(a) the details of the issues discussed at the meeting of the top officials of the Ministry of Power held on 8th November,2002.

(b) the steps being proposed to be taken by Government to implement the decisions arrived in the said meeting; and

(c) the expected impact on the power generation costs individual consumers and industries?